

Publisher Gets Deadline To Sell Tucson Paper

TUCSON, Ariz. (UPI) — The publisher of the Tucson Daily Citizen was ordered yesterday to sell the Arizona Daily Star within 21 months, ending five years of antitrust litigation.

The order by U.S. District Court Judge James Walsh was directed against William S. Small Jr., the Daily Citizen publisher.

The government had filed antitrust charges against the Star, a morning newspaper, and the Citizen, an afternoon paper, and Tucson Newspapers Inc.

The two papers operated under the so-called "Tucson plan" in which certain operations were conducted jointly.

Changes in the advertising and circulation department operations of the two papers must be put into effect within 90 days, the judge also ruled.

Departments Outlined

The judge had previously ordered the divestiture of the Star and a reorganization plan for Tucson Newspapers Inc. because of violations of antitrust laws.

The reorganization plan calls for separate Star and Citizen advertising departments, a joint advertising department to sell combination daily and Sunday advertising and two separate

circulation and promotion departments with a common distribution department.

Another 44 dailies in 22 cities that operate under similar agreements were expected to be affected by the case.

The suit, heard by Walsh in 1966, was appealed to the U.S. Supreme Court, which upheld the lower court's ruling March 10, 1969. The high court, in a 7-1 decision, ordered the newspapers to submit a plan whereby the Citizen's owners would divest themselves of the Star and modify the Tucson Newspapers Inc. joint operating agreement.

U.S. Objects to Plan

The newspapers' plan was submitted to Walsh's court last summer and drew objections from the Justice Department. The department said it had no objection to joint mechanical production and physical distribution of both newspapers, nor to joint administrative, accounting and business functions, but did object to proposals for joint sales forces and the sharing of even "minimum revenues."

Congress last fall held hearings on the proposed newspaper preservation act that would grant antitrust exemptions to newspapers having joint operating agreements.